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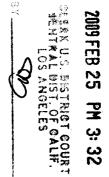
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UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

WESTERN DIVISION

UNITED STATES OF AMERICA ex rel.) NO. CV 07-01984 PSG (MANx)
[UNDER SEAL],

Plaintiffs,

V.

[UNDER SEAL],

Defendants.

NOTICE OF ELECTION BY THE UNITED STATES OF AMERICA TO DECLINE INTERVENTION

[FILED UNDER SEAL PURSUANT TO THE FALSE CLAIMS ACT, 31 U.S.C. §§ 3730(b)(2) AND (3)]

[LODGED CONCURRENTLY UNDER SEAL: [PROPOSED] ORDER RE UNITED STATES' ELECTION TO DECLINE INTERVENTION AND UNSEALING OF COMPLAINT]

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                        UNITED STATES DISTRICT COURT
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                       CENTRAL DISTRICT OF CALIFORNIA
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                              WESTERN DIVISION
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   UNITED STATES OF AMERICA ex rel.) NO. CV 07-01984 PSG (MANx)
   NYOKA LEE and TALALA MSHUJA,
                                       NOTICE OF ELECTION BY THE
                                       UNITED STATES OF AMERICA TO
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        Plaintiffs,
                                     ) DECLINE INTERVENTION
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        v.
                                     ) [FILED UNDER SEAL PURSUANT TO
                                     ) THE FALSE CLAIMS ACT, 31 U.S.C.
   CORINTHIAN COLLEGES; ERNST &
   YOUNG LLP; DAVID MOORE; JACK D. ) §§ 3730(b)(2) AND (3)]
   MASSIMINO; PAUL ST. PIERRE;
                                       [LODGED CONCURRENTLY UNDER
   ALICE T. KANE; LINDA A.
                                       SEAL: [PROPOSED] ORDER RE
   SKLADANY; HAND ALDER; TERRY O.
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                                     ) UNITED STATES' ELECTION TO
   HARTSHORN; and DOES 1 through
                                       DECLINE INTERVENTION AND
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   500, inclusive,
                                       UNSEALING OF COMPLAINT]
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        Defendants.
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Pursuant to the False Claims Act, 31 U.S.C. §§ 3730(b)(2), (b)(4) and (c)(3), the United States of America (the "Government"), by the undersigned attorneys, hereby notifies the Court that, at this time, the Government elects to decline to intervene and take over this action.

Although it declines to intervene, the Government respectfully refers the Court to 31 U.S.C. § 3730(b)(1), which allows the relators to maintain the action in the name of the United States; providing, however, that the "action may be dismissed only if the court and the Attorney General give written consent to the dismissal and their reasons for consenting." Id. The United States Court of Appeals for the Ninth Circuit has held that, notwithstanding this language, the Government only has the right to a hearing when it objects to a settlement or dismissal of the U.S. ex rel. Green v. Northrop Corp., 59 F.3d 953, 959 (9th Cir. 1995); U.S. ex rel. Killingsworth v. Northrop Corp., 25 F.3d 715, 723-25 (9th Cir. 1994). Therefore, the Government requests that, should either the relators or the defendants propose that this action be dismissed, settled, or otherwise discontinued, this Court provide the Government with notice and an opportunity to be heard before ruling or granting its approval.

In addition, pursuant to 31 U.S.C. § 3730(c)(3), the Government hereby requests that the parties serve the Government, through its undersigned counsel, with copies of all pleadings and papers filed in the action. The Government also requests that it be served with copies of all orders filed in the action, and all papers lodged in the action. The Government notes that 31 U.S.C. § 3730(c)(3) permits the Government to be supplied with copies of all

deposition transcripts at the Government's expense, but the Government currently declines to request that it be served with deposition transcripts. Pursuant to 31 U.S.C. § 3730(c)(3), the Government reserves its right to intervene in this action at a later time upon a showing of good cause.

Finally, the Government requests that, of the pleadings and papers filed or lodged with the Court to date, only the following documents be unsealed and served on the defendants: (i) the Complaint; (ii) this Notice; and (iii) the Court's Order Re United States' Election to Decline Intervention and Unsealing of Complaint. All other documents currently contained in the Court's file should remain under seal and not be served on the defendants or otherwise made public because in discussing the content and extent of the Government's investigation, such papers are provided to the Court for the sole purpose of evaluating whether the seal and time for making an election to intervene should be extended.

Respectfully presented to the Court with this Notice is a proposed Order that implements these requests.

DATED: February 24, 2009

Respectfully submitted,

THOMAS P. O'BRIEN
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By:

ABRAHAM MELTZER

Assistant United States Attorney Attorneys for the

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PROOF OF SERVICE BY MAILING

I am over the age of 18 and not a party to the within action. I am employed by the Office of United States Attorney, Central District of California. My business address is 300 North Los Angeles Street, Suite 7516, Los Angeles, California 90012.

On February 25, 2009, I served

NOTICE OF ELECTION BY THE UNITED STATES OF AMERICA TO DECLINE INTERVENTION

on each person or entity named below by enclosing a copy in an envelope addressed as shown below and placing the envelope for collection and mailing on the date and at the place shown below following our ordinary office practices. I am readily familiar with the practice of this office for collection and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service in a sealed envelope with postage fully prepaid.

Date of mailing: February 25, 2009. Place of mailing: Los Angeles, California.

Person(s) and/or Entity(ies) to Whom mailed: SEE ATTACHED.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Executed on: February 25, 2009 at Los Angeles, California.

CAROL M. YBARRA

shane

SERVICE LIST

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